

SPY CHIEF WILLIAM CASEY LOOKS AT THE SECRETS TRADE

In an exclusive interview, the nation's intelligence director says stepped-up efforts to counter Soviet espionage are a must. "The need to protect national security," he argues, "is absolute."

William J. Casey, 73, first tasted espionage work during World War II. He coordinated French resistance fighters, then rose to head U.S. secret intelligence operations in Europe. An expert on tax law and a self-made millionaire, Casey held a number of top U.S. posts in the 1970s.

In 1980, Casey managed Ronald Reagan's successful Presidential campaign. Soon after, he was appointed Director of Central Intelligence. Associate Editor Maura Christopher recently spoke with Casey at CIA headquarters in Langley, Virginia.

Update: What is the goal of U.S. intelligence?

Casey: It is to collect and evaluate information to see what is happening around the world that can affect our national interests. This is becoming increasingly important, because the world is becoming more interdependent. There are new military threats, huge arsenals of weapons being built, terrorist organizations, and people stealing our technology. We need to protect ourselves against these things.

ADVISING THE PRESIDENT

Update: As Director of Central Intelligence, you have three roles. You advise the President, you head the CIA, and you oversee the intelligence community. Which is the most important?

Casey: They are very much interrelated, but it all boils down to being [chief intelligence] adviser to the President. That is the most important. Running the CIA is a managerial job. Running the intelligence community is a coordinating job. There are 11 additional [organizations] in the intelligence community. I am chairman of the National Foreign Intelligence Board, which pools information from all of them into National Intelligence Estimates. I see to it that these are put together for the President.



William Casey is widely credited with rebuilding the CIA, in part by promoting first-rate agency staffers.

Update: One of the purposes of intelligence is to guard against surprises, but world events often seem to catch the U.S. by surprise. Why?

Casey: Everybody gets surprised. But I don't think we have had a meaningful, significant [surprise] in the last five years. You have surprises because intelligence is not perfect.

Update: What about terrorist attacks?

Casey: Any terrorist who decides to act doesn't advertise it. You've got to be very lucky to catch all or even a large portion of them. We frustrate terrorist attacks by learning about them and taking action. Over the last year, we've [prevented] about 200 terrorist attacks. Sometimes we whisk the target out of the country, or we put a protective guard around the place.

Update: Many people view espionage as cloak-and-dagger spying. Is it?

Casey: I don't want to disillusion anyone, but [spying] isn't the main part of intelligence work. Most of our people have advanced degrees. There are analysts, scientists, and economists involved. They take information and sift it to see what it adds up to.

We spend a lot of money collecting information. We'll put a camera somewhere that picks up a lot from open sources. There are apparatuses that pick up sounds, electronic pulses, or seismic signals of underground explosions. We do have people who deal with people around the world who want to help us. Sometimes they are called spies. But there are many more people involved in analyzing the information than in collecting it.

CATCHING MORE SPIES

Update: Why are we hearing so much about enemy spies? Are their numbers growing, or are we catching more?

Casey: There's one unusual thing about counterintelligence: If you catch a lot of spies, that can show that your intelligence service is bad, and if you don't catch any, that can show it's bad, too. We have been catching many more spies in the past two years. That's because we've been successful in learning about other espionage activities. More important, over the last two or three years there have been 200 Soviet and East European spies arrested or kicked out of nations around the world. That's a big loss for them. Then there are a number of very high level defectors who have asked for refuge here. That's pretty bad for hostile intelligence services, because the defectors usually have a lot of information to give us.

Update: Are the Soviets sending more agents into the U.S.?

Casey: They have had, for some time, a big, sweeping effort to get our blueprints, our technology, and our sophisticated products. They can learn from them and copy them. That's a very big activity.

Update: The CIA tracks espionage abroad. The FBI tracks it in the U.S. How do you coordinate your actions?

Casey: We work together very closely. If we get a lead on somebody who

is coming into this country, we pass it over to the FBI. And it works the other way. They have liaison people at our headquarters, and we have them at theirs. There used to be some friction, but that was washed away long ago.

Update: *How successful have enemy spies been in gathering our secrets?*

Casey: They have learned a lot about our technology and our military secrets. First, they are working in an open society. They can come here and roam around. All they have to do is buy a newspaper, or go to the *Congressional Record* office. Material is available for the asking. They have the problem of sorting through it. I don't know if I envy them.

Update: *What are their gains worth?*

Casey: They're worth billions of dollars a year [to the Soviets]. If they had to develop, by research and testing, some of the technology they are able to steal from us, it would cost them a great deal of money.

Update: *How much damage have recent spy cases caused to the U.S.?*

Casey: It takes a while to determine how much damage a spy has caused, because you don't know how they use the information. We think codes were broken, and we think [the Walker spy ring, which sold Navy secrets] gave them communications information.

We probably lose more information through the media by unauthorized leaks. Then there is *Aviation Week & Space Technology* magazine, which covers this technology. We have to run a big operation to get this sort of information from closed societies. All their spies must do is buy a magazine.

COUNTERSPY EFFORTS

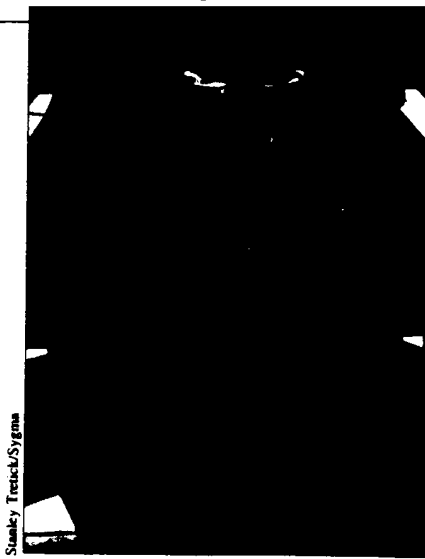
Update: *How successful have we been in penetrating Soviet spy operations?*

Casey: We know they get very nervous, so we don't like to brag about that. I can tell you one thing: We always want to have more success.

Update: *What is being done to prevent further espionage losses?*

Casey: We have increased the strength of the FBI. We've come closer to placing the kind of restrictions on travel for hostile diplomatic personnel that they place on us. We were pretty loose on that. We've improved our security and our counterintelligence capability.

Update: *More than 4 million people*



Poring over maps is part of the careful process of analyzing intelligence data to produce reports for policymakers.

have access to U.S. classified information. Would cutting their numbers solve our security problems?

Casey: Probably not entirely. We've been reducing security clearances somewhat, but there is a big problem. Intelligence is useful because it is used. If you restrict it too severely, you take some value away. But if you use it too widely, you make it vulnerable. We aim for the right balance.

Update: *How valuable are lie detector tests in preventing spying?*

Casey: They are very valuable. They help us to investigate. But we never act on the polygraph needle alone. The polygraph is a guide to show [what] a person is a little unsure about. Then we ask questions. Of the people we don't hire because they are security risks, we catch 90 percent in the give-and-take of interrogation. After the needle flicks a little, they admit that they have done something.

Update: *Should the U.S. expand its use of such polygraph tests?*

Casey: I don't think we have to expand it. We should use it more aggressively and focus our effort. I don't think we have to polygraph everybody in the world. We may want to polygraph people who have access to very secret information. Or people who—when a story gets out that shouldn't—had that story. But testing should be selective, not wholesale.

Update: *Where do you draw the line between the government's need for security and the public's right to know?*

Casey: The need to protect security is absolute. A lot of time, people classify information that isn't important.

But if something is essential to national security, I don't think any unauthorized person has the right to know.

Update: *What about possible government intrusions on citizens' privacy?*

Casey: We gather all of the information we can within certain limitations. We can't poke in on American citizens—our work is abroad. The FBI can poke in on American citizens, if it has reasonable cause.

Update: *What lures U.S. citizens to spy for foreign nations?*

Casey: Lots of things. There was one guy in San Francisco who was lured by sex. Some people are angry at their country, and they do it for that reason. The Walkers were lured by money. That's the big reason.

COVERT OPTIONS

Update: *Why does the CIA carry out covert actions?*

Casey: Sometimes our national interest requires an option that falls between sending a diplomatic note and going to war. By law, the President can authorize such steps. The two committees of the U.S. Congress are briefed, and we carry out these activities. We don't, however, go around assassinating people.

Update: *What do you say to people who believe that it's improper for the U.S. to undertake covert actions?*

Casey: I disagree with them. The Soviets have a huge, worldwide apparatus that carries out propaganda, smuggles arms, and stirs up trouble, while keeping their hand hidden. If we couldn't respond to that, we would be disarming ourselves against a whole range of threatening activities.

Update: *You criticize the Congressional committees which oversee the CIA. Why?*

Casey: Oversight should be done quietly, discreetly. Going out and spouting in public is a breach of confidence. It can damage our intelligence capabilities and the confidentiality needed to deal with other nations.

Update: *The CIA has recovered from years of low morale. What changed?*

Casey: Our people realize the President is supporting them, and that Congress is supporting them. Their information is sought after. They respond to that challenge. Ten years ago, Congress was kicking them around, and the media was kicking them around. Ronald Reagan turned that around.

Continued